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C O N F I D E N T I A L SECTION 01 OF 04 SUVA 000262

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EMBASSY MANILA PASS TO ADB

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TAGS: [PREL](#) [PHUM](#) [MARR](#) [PGOV](#) [PINR](#) [EFIN](#) [CVIS](#) [TN](#) [CH](#)

SUBJECT: TONGA'S POLITICAL EVOLUTION: HOW FAR AND HOW FAST?

REF: A. SUVA 139 (AND PREVIOUS)

[B](#). SUVA 156

Classified By: Amb. Dinger. Sec. 1.4 (B,D).

Summary

[1](#). (C) The public drive in Tonga for political change seems to have decelerated in recent months, though debate is no longer about whether change should occur, but about the pace and degree. New Prime Minister Sevele's series of modest reforms may have reduced pressure. Also, people may be awaiting results from the ongoing National Committee for Political Reform (NCPR) process. Pro-democracy activists, nervous about the intentions of the Crown Prince and PM Sevele, intend to keep pushing. A worrisome element is Government's attempt to curb anti-monarchy speech via sedition charges. Meanwhile, ailing King Tupou IV returned to Tonga from New Zealand for his 88th birthday. Tonga's fiscal gurus have so far successfully steered through pressures created by last summer's public-service salary settlement. A redundancy package accepted by almost a quarter of Tonga's civil service should help. China's roles in Tonga remain complex. In a comment, we note that the NCPR's report, due in September, will help frame future debate on political reform. Thus, we continue to advocate USG funding assistance for the NCPR's media outreach. End Summary.

[2](#). (C) The Ambassador visited Tonga June 27-29, accompanying Charles Salmon, Foreign Policy Advisor at the Asia-Pacific Center for Security Studies (see septel), who was on a speaking tour through the Pacific region. They met with Crown Prince (Prince Regent) Tupouto'a, PM Sevele, Finance Minister 'Utoikamanu, Attorney General Taumoepeau, the Commander of the Tonga Defense Service (TDS) Colonel Uta'atu, pro-democracy People's Representatives Akilisi Pohiva and Clive Edwards, and others.

From boil to simmer?

[3](#). (C) For most people in Tonga, the political temperature seems to have reduced during the past few months. Prince Regent Tupouto'a's appointment in March of Fred Sevele, a former pro-democracy activist, as the first commoner Prime Minister since a British citizen had that role in the late 1800s, is seen as encouraging. Sevele's freedom to select several new members of Cabinet on his own initiative, with subsequent royal assent, is also seen by many as a plus. The departure of arch-conservative Deputy PM Cecil Cocker to be

Consul General in San Francisco and his replacement as Deputy by the well-respected Minister of Health, Dr. Viliami Tangi, is particularly propitious for reform prospects. The new Attorney General 'Alisi Taumoepeau (former Solicitor General and the wife of an A-G whom the Crown Prince fired a year ago) has a pro-democracy orientation. New ministerial positions for civil aviation and tourism appear to focus attention on Tonga's only glimmering economic prospect: the tourist industry.

¶4. (C) Sevele's creation of a "chief of staff" position in the PM's office and his filling it with Lopeti Senituli, the well-respected former head of Tonga's leading human-rights organization, have drawn kudos. Pushing an initiative to allow Tongans dual citizenship is also highly popular, and Sevele responded to intense lobbying by Oxfam and the pro-democracy movement against WTO accession by airing the issue publicly in Parliament before engineering ratification on June 30. There is a sense that change is already happening at a very active pace by Tongan standards.

NCPR consultations may reduce pressure for change

¶5. (C) All members of the NCPR were overseas consulting with Tongan communities in New Zealand, Australia, and the U.S. during our visit. The Committee is to submit its report by September 1, though PM Sevele informed us he would be willing to allow more time if needed. We heard second-hand that turnouts at consultation sessions in Tonga were often low, and those villagers who spoke up tended to accent bread-and-butter infrastructure needs more than political-reform aspirations. That lack of clamor may have contributed to a sense among many that Princess Regent

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Pilolevu captured the public mood in her June 1 address (written by PM Sevele and Finance Minister 'Utoikamanu) at the opening of Parliament. She said political change is inevitable, but it must take place at an appropriately measured, Tongan pace.

Activists remain impatient

¶6. (C) Pro-democracy activists like Akilisi Pohiva, Clive Edwards, and new head of the Friendly Isles Human Rights and Democracy Movement Akaneti Lauti, remain committed to a much faster pace of reform. They organized a street demonstration during the opening of Parliament on June 1 and presented a petition to the Government. The petition raised the possibility of a referendum on the need for change, insisted on major electoral reforms prior to Tonga's next elections in 2008, and sought a formal response within 30 days. Since the Government had never responded at all to the movement's petitions in the past, the activists threatened and were preparing for "civil disobedience" which, Pohiva and Lauti told us, they hoped could be kept peaceful. Lauti indicated frustration levels were high, a car had been torched the night of June 28 (with no media coverage), and violence could not be ruled out. Edwards reported noticing an increased police presence in the vicinity of Parliament. We urged that any protests be completely peaceful.

¶7. (C) When Senituli from the PM's office contacted Pohiva on June 28 to say Cabinet was preparing a formal response, activists remained dubious and suggested to us that the message would be, at most, an offer to negotiate. We noted that a response, in itself, would be breaking new ground, and suggested that a pro-democracy movement dialogue with government could be a useful step. In the end, just before the 30-day deadline, the Government did respond, urging maintenance of the rule of law, arguing that activists should await the NCPR's findings, and agreeing to a dialogue as necessary. Lauti has since informed us that the pro-democracy movement has decided the response is inadequate, and some relatively mild forms of peaceful protest are in the cards.

Sedition and free speech

¶8. (C) The Tonga Police have filed 14 sedition charges against Pohiva, based on allegedly inflammatory anti-royal posters the pro-democracy movement has repeatedly placed in the Pangai Si, a downtown park and rallying point. Pohiva told us he is not intimidated; he has survived such attempts before. He said the posters merely quoted the Bible, citing Old Testament scriptural passages about the need to remove misbehaving kings. Clive Edwards said his police contacts claim the order to prosecute came from "higher than the Minister of Police," i.e., from the PM. We raised with Sevele the view that free political speech is very important for good governance.

The PM's vision

¶9. (C) When we visited with the Crown Prince and then-Acting PM Sevele in early March (ref A), both indicated an intention to move "ASAP" with significant political reform. Now, both seem to have scaled back the intended pace and end result. Sevele said he will be satisfied "if the election after next" in 2011 sees a majority of Parliament elected by the people. (Currently Parliament consists of 9 "people's representatives" elected by the public, 9 reps elected by the 33 nobles, and 12 royally appointed members of Cabinet.) Sevele indicated one possibility would be for the nobles' reps to be elected by the general public. Sevele, noting that the Crown Prince has made clear he wants no Constitutional amendments, said his own view is the King should retain his veto power (which we note is currently absolute) since that tool proved important a few years ago to curb a poorly-thought-out land bill passed by Parliament.

The Crown Prince and royal prerogatives

¶10. (C) The Crown Prince told us he would be comfortable with an immediate move to increase the number of people's reps in Parliament. He made clear, though, that certain "royal prerogatives" must be retained so that "riffraff" don't affect the functioning of key aspects of governance

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such as the military, judiciary, public service, and the post office. The Crown Prince has stayed firm in his view that a British judge must head Tonga's judicial system when the current Scotsman retires in September. Attorney General Taumoepeau regrets that, since a Brit will be expensive and New Zealand has indicated it would happily fund a Kiwi replacement, the other expat judge now in Tonga.

Law suit re "prince regent," a gamble that failed

¶11. (C) When Princess Pilolevu, as Regent, officiated over the opening of Parliament on June 1, pro-democracy advocates filed a law suit alleging that the Constitution permits only the King or a group of 3 nobles to officiate. The suit shut down Parliament for three weeks until the Chief Justice ruled that, under the Constitution, a prince regent carries all the powers of the King. Pro-democracy's Clive Edwards said the plaintiffs were worried that the Crown Prince (when he becomes King) would one day appoint one of his business cronies to the role, since the Constitution does not specify that the regent must be a royal. The hope had been for a judgment limiting prince-regent powers. Now that the gamble failed, and the pro-democracy movement received bad publicity in Tonga for obstructing Parliament's important budget session, the thought of an appeal is looking dicey.

The King returns

¶12. (C) During our visit, preparations were under way for King Tupou IV to return from New Zealand. He has spent nearly all of the past six months in Auckland, suffering from strokes, circulation problems in his legs, and general aging.

However, he reportedly made clear that he wanted to celebrate his 88th birthday at home on July 4. The Crown Prince said his father's heart "is stronger than mine," and he is in reasonably good health. The King did return to Tonga on July 1, though his birthday activities were curtailed. Reportedly the visit home will be short because the royal doctors in New Zealand worry, with reason, about Tongan health care. Also, reportedly, royal minders want to avoid the prospect of an incapacitated King residing in Tonga. Governance would be simpler if the King's health declines abroad, with a prince regent in charge at home.

Fiscal pressures, civil-service redundancies

¶13. (C) As reported ref A, the royal family's capitulation to a public-service strike last July-September resulted in a settlement that has severely strained Tonga's finances. The full brunt would hit with the new fiscal year, July 1. It appears that Tonga's Finance Minister and Reserve Bank have done wonders in macroeconomic policy, keeping inflation manageable. However, costs had to be cut. Part of the solution was to offer an attractive redundancy package, seeking 1000 acceptances, more than a quarter of the civil service. Around 900 people expressed interest, and reportedly 820 signed acceptance letters last week. The package required an immediate payout of T\$22 million (USD 11 million), which Tonga is covering by finishing off some long-standing ADB loans and by planning to sell its shares in the WestPac Bank. Over time, the smaller civil service is expected to generate significant savings. We heard that about 10% of the MFA and Finance Ministry staffs took the package; other ministries like education and health must be bearing much higher percentages. Reportedly so many garbage-handlers departed that trash is piling up. Observers worry whether bureaucracies can be nimble enough to shift portfolios and increase burdens to keep government functioning. Finance Minister 'Utoikamanu predicted to us that Tonga can make ends meet until around December using foreseeable resources.

Fiscal bail-out request to China; need for coordination

¶14. (C) China's ambassador to Tonga confirmed to us that in April PM Sevele approached Premier Wen during the PRC's Pacific-regional meeting in Fiji (Ref B) seeking funding to cushion the fiscal crisis. The ambassador said his government has yet to respond. We stressed the usefulness for China, as a donor, to coordinate its efforts with others in the donor community. We noted that the Asian Development Bank (ADB) has accepted the view of other donors like Australia, New Zealand, and ourselves that Tonga's Government

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created its current fiscal crisis, and a bail-out would be premature pending clear signals of permanent progress on political and economic reforms. For now, budgetary pressures appear to be helping to stimulate reform efforts.

The usual Chinese assistance

¶15. (C) China is providing an array of assistance projects to Tonga. It is about to construct, with Chinese labor, a pre-fab convention hall for the Pacific Island Forum (PIF) meetings to be held in Nuku'alofa in late October. China funded the new "chief of staff" position in the PM's office when Australia and New Zealand declined to do so. China is providing the Tonga Defense Service a modest quantity of uniform items. China is providing 20 VIP vehicles for use by heads of state who attend the PIF.

Crown Prince's businesses still a problem

¶16. (C) China's ambassador flatly denied a report that PM Sevele sought from Premier Wen a concessional loan of approximately USD 30 million to cover the cost of a buy-back of the Crown Prince's interest in Shoreline, Tonga's electric

utility. Finance Minister 'Utoikamanu admitted to us that the Crown Prince's attitude toward his "personal" businesses remains a problem. He wants to receive a much sweeter price for his Shoreline asset than independent evaluators believe is appropriate. PM Sevele has committed to take the Shoreline controversy off the Crown Prince's hands, preferably via sale to a private company; however, not surprisingly, private companies insist on an arms-length deal.

Comment and action request

¶17. (C) PM Sevele, with clearance from the Crown Prince, has initiated a set of reforms that in most countries would be seen as modest but in conservative Tonga are perceived by many as quite significant. There is a sense in Nuku'alofa that most Tongans believe the current pace is sufficient. On our previous visits, there was a sense that most Tongans, at least the 70% who live on the main island of Tongatapu, were craving more profound reform immediately. In part that conclusion was drawn from the size and vehemence of a political demonstration last September just after the public-service strike. Now, some observers are offering a revisionist recollection: that the demonstration may not actually have been all that big, and that most people are content with the current political pace. It is unclear to us whether the previous sense of urgency was wrong, or sentiment has changed, or the current perception is wrong.

¶18. (C) The pro-democracy activists have grave doubts about the Crown Prince's willingness to accept transition to a truly democratic system. From our conversation, Tupouto'a, indeed, expects to retain a number of significant powers under any future system. The activists worry that Sevele, a pro-democracy advocate before he joined Cabinet, has sold out. They continue to insist that most of the public remains with their movement. Activist Akilisi Pohiva has repeatedly topped the charts in Tongan parliamentary elections, and his vote percentage in 2005 was his highest ever. The pro-democracy movement achieved a reasonable turnout for their June 1 demonstration, around 1000 people. But they expected the numbers to be much bigger, and they must be worried that government reforms are chipping at their base.

¶19. (C) The NCPR's report in September will provide an important framing for future debate. NCPR member Sitiveni Halapua told us by phone three weeks ago that he is working on the draft report. He indicated having heard a range of views which, overall, still point toward the need for more political reform. As we see it, the need for some political "change" is now accepted by all, even the royalty. The open questions are pace and degree. Halapua said the coming effort to educate the public on the Committee's findings will be a crucial phase and still needs funding. We continue to believe it important for the USG to provide assistance for that media outreach.

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